

The Clean Coal Power Initiative

**Remarks by
General Richard L. Lawson (Retired)
at the
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Well, welcome to this planning meeting. I must say, back in August when George Rudins called me and told me the dimensions of the meeting and the general objectives that I had no idea that we would be standing here facing a future that looked so dramatically different from what it did there early in August. I came because when George Rudins asked me to do anything if I can possibly do it, I do it. He has been a tremendous, I think apostle of energy, of all aspects of fossil energy and certainly he never forgot that fact that coal was an important element of that energy during some of the leaner years. I also come with a new found wisdom. I must say that as I stand here today the economic situation of the coal industry is far better than at anytime when I represented the coal industry. Now I try to portray that as a summation of the efforts that I put forth on behalf of the coal industry. But some wags have suggested that it just took my departure to release the floodgates. I come at a time when all energy is a vital importance to this nation.

Fifteen years ago, when I first came to the coal industry, I said about describing energy to the country is a factor of two issues. First, securing all possible domestic energy from every possible source to assist this great country in its march to not only economic security and prosperity for its own, but for providing the foundation for the development of the rest of the world along with us. Secondly, also discussing the vital importance of energy, again all forms of energy to the nations very security. I told a lot of people that the last 32 letters that I had to write to wives and daughters and mothers about young men and women who gave their lives for their country under my command was because of issues associated with energy. And so, when September 11 occurred, it reminded me dramatically, perhaps even more dramatically than the bombing of the marine barracks in Beirut under my command, how vitally important this business of energy security is to everyone on the planet and certainly to all of us in the United States of America. I was particularly pleased to see the President's discussion last week when he talked about the economic aspects of this effort that we have ongoing and perhaps will have in front of us for some time to come. Because I am absolutely convinced in my experience of say 20 years with terrorism that the mothers milk of terrorism is money and that 90 percent of that money comes from oil. No matter how you cut, it, no matter how you slice it, no matter where you chase it, the money that supports terrorism (groceries) around this globe comes from those kind of places. Some of them for political reasons, some of them for economic reasons, some of them for religious reasons, but nevertheless they come from those kinds of places.

I have often thought that the economic disparities of the planet were going to make the 21st Century perhaps one of the most difficult in all of mankind's history. I have proclaimed on several occasions that the development of energy structures for developing countries especially those that are in the poverty range was a vital and important objective for every nation on the

face of this earth. But it is much more apparent today that energy security is also extraordinarily vital to the developed countries of the world. That if we indeed plan to move forward, those energy structures must accommodate a whole series of requirements. We in the coal industry, if we look back through our history, can determine that there has been a great deal of effort on the part of a very few people in providing coal for this nation's requirements that have been so vital during certain periods of our nation's history from a military standpoint. World War I, the coal industry provided the energy for that war and its impact upon that war and upon the U.S. economy. We're such that we were able to turn back forces that were against those fundamental issues that we held dear in this country. We could have stayed within the boundaries of fortress America but we chose at that particular time to go forth because we felt that the endangerment of the basic fundamental factor of freedom was more important than a false security behind the Atlantic and Pacific walls.

As one goes forward in our experience, you can find time after time after time that energy was at the heart and sole of either conflict or capability in this nation's history. As recently of course as Desert Storm, we once again were brought face-to-face with the fact that energy security was at the soul of our own security; individually and collectively. The planet has grown much smaller over this past century and I suspect that it will become even more small when we look at the 21st century. And as we do, I think there are certain things that we need to think through. First as Americans, then as members of the free world, and then as members of a collective society of mankind that strives to bring the lives of all people on the planet to one level.

When I looked at the agenda of this particular conference, it was brought to my mind that first and foremost, as members of the coal industry and all of those associated with converting that fuel into useful electricity and others form of energy for the nation, we had to provide a better picture of our past successes, our present activities, and our future potential to Mr. and Mrs. America. It is inconceivable for me to continue to find members of this society, members of the government, members of the intellectual community of our society who continue to search for ways to undermine and indeed constrain and perhaps endeavor to wipe out the use of coal for all of the requirements of not only our own individual economic advancement, but of those of the rest of the world at large. There are so many people that have no idea of the kinds of success that technology has brought forward here in this country in terms of the use of coal over the years. The fact that we have made so many advancements so quietly does not speak well for this industry. And indeed if I had to put marks on the wall of tasks at hand, the first would be to begin to develop much more aggressively this discussion with our fellow citizens, our fellow leaders, those elected representatives at every level of government, the importance, the capabilities, and the vital necessity of using this treasure of energy that is American coal. Two hundred fifty years worth at the very minimum of proven reserves economically, harvestible in every sense of the word. A treasure that no other nation on earth begins to have. And so first and foremost we must rally our own battle cry towards establishing firmly within the minds of the public that this resource must be used. Now it must be used not just because it's there but because it represents one of the most secure ways for the entire planet to begin to get at this terrible set of problems that sit in front of us.

I think the second task that we need to aggressively examine, begin planning activities and begin to work is the task that is immediately in front of you here today. Developing a general concept

of those technologies that are required to get us into the next decade, in to the next 50 years, indeed into the next century. Those technologies that will accommodate those fears and concerns that well-thinking Americans have about coal's use as it applies to not only economic activity, but to the environmental activities that are constantly being pointed out to all of us. I think we begin that issue by examining carefully those areas where we have made such dramatic progress. And then we add to that a general understanding developed by coordination and cooperation between members of industry, members of the society at large, members of the government, scientists, technology experts and members from academia. Out of that cooperative event, I believe we can develop a program which will show clearly a path to the increased access of coal to the energy markets of the United States and nations around the world, while simultaneously working upon those particular problems that are associated with environmental concerns.

Whether it be global warming, mercury, SO_x NO_x , all of the other emissions, the various control mechanisms that are presently being considered and those that are available, whether it be increased efficiencies, increased production, increased health requirements whatever the issue, now is the time to initiate those planning activities. But more importantly, I believe we have to aggressively go after the way that we collectively would fund those activities to get into the next century. Believe me we can do this because at the very outset of the clean coal program there was great deal of concern on the part of many within the government and certainly in the society at large about whether or not this industry would come forth with their share of the clean coal technology program. You will recall those debates in discussion if you have been around the industry for awhile.

And there was much chagrin on the part of a great many members of the Congress that there has been a giveaway program for coal and the coal industry as it pertains to the production of electricity. But rather than 50/50, the final results were 2/3 to 1/3; the private sector handled 2/3 of that requirement and the public sector handled 1/3. And if I'm any judge of the success of several of those technologies, ultimately the public sector will be reimbursed for that entire program. I believe the same thing can and should happen as we press forward with the Clean Coal Power Initiative. Certainly two billion dollars over a 10-year period will not begin to open up the kinds of problems that we're going to find as we press forward aggressively on this area. But in my judgement, out there in the public sector, provided that we successfully educate both the private and public aspects of our constituency, there will be the money, there will be the kinds of technology results that are required to get us where we are going.

Let me just close with a couple of ideas that I think are significant and important as we proceed. No American should ever forget what happened on September 11. But the connection between September 11 and poverty worldwide and energy requirements worldwide and energy requirements in this country must be made. Everyone must be forced to understand a little better how energy works and what energy means not only to our society but what the absence of energy structures means to other societies. We can't root out terrorism in its present form but let me assure you if we don't go after those fundamental problems of poverty on a worldwide basis, those places that currently are spawning terrorists will continue to spawn terrorists no matter how hard we dig or how long we dig.

We must find ways to resolve that basic issue of energy requirements to establish effective economic platforms which will fuel the growth that's necessary to produce climates that are much more amenable to solving the basic necessities of all the residence of this planet. (If) we don't do that, everything we accomplish will have a false bottom. And we can only look forward to more of the same. I have said many times and those of you have been around me have heard it many many times over. If we don't solve that poverty problem, we will need more generals than we have ever seen. And all of the rest that goes with that. But let me say this with a conviction that is absolute. With the technological capabilities of this nation, with the industry capabilities that are available, with the financial wherewithal that exists, (with) a proper story told, we can accomplish all of these goals. We can root out terrorism and solve the kind of problems that are associated with terrorism by cutting off their financial resources. Terrorist (groceries) can be eliminated; I have seen it done. Indeed the last trip I made to Libya I believe stopped at least one source of funds permanently. I haven't found any indications that Khadafi wanted anymore once we visited his home. Quite candidly, underneath that however lies this more basic requirement and that's why I believe this planning session is just a first of many to come.

But the message that you all need to take home is this: we must be much more aggressive in our activities vis-a-vis the society at large and the public sector specifically. We must much more aggressively tell our story; we must take every success that we have and make sure they are understood by those who make political decisions about the application of resources to technologies abroad; we must examine carefully in academia those particular areas of studies that give promise and we must do everything within ourselves to find the capital that is necessary not only to aggressively go after those problems associated with environment of the United States, but to begin to adapt them to other countries around the world.

And finally, and perhaps most importantly, we need to put our very best people on this. We need to work inside this industry to make sure we have done everything in our power. If this war on terrorism is to be won, you have to win that war with the public sector. You have to convince them that that 250 years of coal must be used and used much broader than it is presently being used today in this country. It must be far greater than the electrical energy itself. It must evolve into a use of coal and coal products around this planet to solve the nation's problems, to solve those developing nations problems, to begin to produce the kind of economic activity that will bring everybody into the 21st century with a set of capabilities, with a set of realizations, that they to can see light at the end of the tunnel. Else we all see lights in many places that we don't want to see again. I believe with all my heart that in this room, in the kinds of things we will talk about here today, is the capability that can light that kind of a fire around that globe. And I wish you all very good luck as you initiate the actions necessary to begin that long search. Thank you very much.